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**ANNUAL REPORT ON CIVIL LEGAL ASSISTANCE TO LOW-INCOME IOWANS -  
THE LEGAL SERVICES FOR PERSONS IN POVERTY GRANTS PROGRAM**  
Calendar Year 2003 Activities

This report on the Legal Services for Persons in Poverty Grants Program is required as a part of the current year's fiscal appropriation (Senate File 439). The report updates the prior report submitted early in the 2003 Legislative Session which reported on calendar year 2002 activities. The report addresses developments in providing legal services on civil law problems to low-income Iowans.

**Executive Summary**

1. **What were the changes in the system for delivery of legal aid to low-income Iowans?**  
(Page 1)

The Legal Aid Society of Polk County and the Legal Services Corporation of Iowa merged to form Iowa Legal Aid on January 1, 2003. Iowa Legal Aid has regional offices throughout the state providing civil legal services to low-income people residing in all 99 Iowa counties.

2. **What are the significant funding problems that are facing Iowa Legal Aid?** (Page 2)

Due to reductions in funding at the state, federal and local levels, Iowa Legal Aid projects revenues in 2004 will be \$1,175,281 less than the income received in 2002.

3. **What is the history of and what is the use of the Legal Services for Persons in Poverty Grants Program funds?** (Page 3)

The General Assembly provided \$950,000 during the 1996 session. During the 1997 session, state funding was provided in the amount of \$500,000. During the 1998 session, this amount was increased to \$600,000. During the 1999 and 2000 sessions, the amount of the appropriation was increased to \$700,000. During the 2001 session, the appropriation was decreased to \$670,000. The 4.3% across-the-board cut resulted in a further reduction to \$641,190. During the last Special Session of the General Assembly in 2002, the Attorney General's office budget was rolled into one lump sum rather than specific line items. The contract between the Attorney General's office and Iowa Legal Aid in the fiscal year ending June 30, 2003, was in the amount of \$554,910, which amount was supplemented with a grant authorized by the Executive Council of \$108,497 from the Civil Reparations Trust Fund. The 2003 session of the General Assembly did not appropriate any specific amount, but Iowa Legal Aid received a grant of \$593,910 from the Civil Reparations Trust Fund to provide services to low-income Iowans, and an additional grant of \$106,529 to operate its Legal Hotline for Older Iowans and to provide additional services to low-income Iowans. These funds are used to provide civil legal services to Iowans with legal problems involving safety and basic necessities of life.

**4. Who is provided assistance with funds from the Legal Services Grants Program? (Page 5)**

Legal Services Grants Program funds benefit low-income women, men and children in all 99 Iowa counties. Approximately 71% of the cases closed are on behalf of women as the primary client. Over 20,000 cases are closed annually impacting over 48,000 Iowans. Legal services are also provided to Iowa's financially distressed farmers.

**5. Why is continued and increased State funding particularly important this year given the State budget problems? (Page 7)**

Hundreds of Iowans who have legal problems are turned away by Iowa Legal Aid each month, including in some instances, those with critical problems involving domestic abuse or disability. Many people are provided more limited services than are needed because of limited resources. Iowa Legal Aid's basic operating funds have been drastically reduced for reasons unrelated to the need of low-income Iowans for services. Calendar year 2003 was the first year that federal funding for legal services programs was based on the 2000 census. Since Iowa's population increased by only a small amount in 2000 over 1990, Iowa Legal Aid lost over \$290,000 in federal funding for calendar year 2003. The total loss of funding based on the census will be \$424,395 in 2004. This census-based reduction in funding which will continue in future years. Iowa Legal Aid also suffered a loss in funding for the 2004 fiscal year from the IOLTA Commission due to low interest rates. The lower amount of funding is expected to be reduced further in FY05 because of low interest rates and reduced revenues. Increases in basic operating funds are needed in order to maintain the ten offices serving residents of all 99 counties.

**6. What are the types of legal problems for which assistance is provided? (Page 7)**

Over 40% of the cases handled involve family law, most involving domestic violence. Problems related to disability and income support programs involve approximately 10% of the cases handled. Access to housing, access to health care and consumer problems are also significant portions of the cases handled.

**7. What is the involvement of Iowa's Legal programs in domestic violence cases? (Page 12)**

Iowa Legal Aid helps in obtaining civil protection orders and enforcing those protection orders. Assistance is provided in obtaining child support, custody and related problems arising from domestic violence. The Director of the Iowa Coalition Against Domestic Violence has indicated that access to a lawyer for the domestic violence victim is the most important factor in determining whether a victim will leave an abusive relationship.

**8. How are legal services provided to elderly Iowans? (Page 13)**

Assistance is provided to elderly Iowans with problems involving public benefits, health care, end-of-life planning and consumer matters. A Legal Hotline for Older Iowans provides advice and referral information to older Iowans throughout the state.

**9. How do the Bar Association and Iowa lawyers help resolve the legal problems of low-income Iowans? (Page 14)**

Iowa's legal community has been extremely supportive of Iowa's legal services programs and helpful in ensuring that access to justice is possible for those without the financial means to hire a private attorney. The rate of participation in the Volunteer Lawyers Projects in Iowa is tied for fifth highest in the nation. Volunteer contributions were valued at over \$1.5 million in 2003. In addition to their volunteer contributions, Iowa lawyers made cash contributions to Iowa Legal Aid in 2003 of more than \$175,000.

**10. What efforts have been made by Iowa's Legal Services programs to find alternative sources of revenue to replace any reductions in federal funding? Where does other funding come from? (Page 15)**

Iowa Legal Aid has diversified funding for many years. In the early 1980's, over 95 percent of the funding for Iowa's programs came from federal sources. Presently, that figure is under 50 percent. The loss of federal funds has been offset by additional fundraising efforts. Iowa's ten Legal Aid offices received funding from nearly 50 funding sources during the last year. In 2003 Iowa Legal Aid stepped up its private fundraising efforts with its first Annual Fundraising Campaign. The Campaign emphasized receiving contributions from lawyers throughout the state, but also made a more concerted effort to expand the giving base to other individuals, corporations and foundations. As a result of this effort, Iowa Legal Aid raised over \$300,000 in 2003.

**11. Conclusion (Page 17)**

State funding is critical to Iowa Legal Aid's mission to provide access to the courts for abused women, disabled children and adults, older Iowans in economic and social need, as well as others who have critical civil legal problems involving basic necessities of life and safety. Iowa Legal Aid helps with civil law problems and does not handle criminal law matters. In Iowa, there are, however, about 130 salaried Public Defenders, in addition to private attorneys statewide appointed to address the legal needs of low-income persons accused of a criminal offense. By contrast, Iowa Legal Aid employs only 50.5 FTE lawyers to serve the 300,000 low-income Iowans eligible for help with their civil legal problems.

The opportunity to provide this report is appreciated. Additional matters which need to be addressed or questions which need to be answered can be directed to:

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ANNUAL REPORT TO MEMBERS OF THE GENERAL ASSEMBLY  
ON CIVIL LEGAL ASSISTANCE TO LOW-INCOME IOWANS --  
THE LEGAL SERVICES FOR PERSONS IN POVERTY GRANTS PROGRAM  
Calendar Year 2003 Activities

This report is the annual report required by Chapter 13 of the Iowa Code, Annual Appropriations Legislation and the contract for the delivery of legal services to low-income Iowans with civil law problems. The report updates the prior report of February 2003.

In calendar year 2002 the programs that provide civil legal assistance to low-income Iowans undertook major restructuring of the delivery system for legal services. These structural changes, which were effective January 1, 2003, have made the delivery system more effective and efficient. At the same time, because of losses in funding at both the state and federal levels, the delivery system is under more significant strain than has been the case since 1996, the first year that state funding was provided from the General Fund to ensure that low-income residents have access to Iowa's court system. **Maintaining the service delivery system will take the work and commitment of all Iowans who believe that it is important to ensure that the promise of "equal justice under law" is a reality for Iowa's most vulnerable citizens.**

The number of low-income Iowans with civil legal problems served in 2003 was, as predicted, fewer than those served in 2002. This is not as a result of decreased need, as more Iowans are being turned away from Iowa Legal Aid offices. In addition, more clients are being provided advice and brief service than the extended representation that they need to obtain protection orders, help with consumer fraud, health care or other basic necessities of life. The reduction is a result of fewer resources available and the fact that there are currently 17.5 attorney positions vacant and unfilled, along with six support positions. The numbers would have been reduced much further had Iowa Legal Aid not been able to use new and improved technologies (funded by special grants from a couple of special funding sources) that have allowed Iowa Legal Aid to have new case management software allowing for integration of case data in all ten regional offices, a new telephone system that allows for more efficient delivery of services and an enhanced intake system. Because of funding reductions, fewer Iowans will be served in 2004.

1. **What were the changes in the system for delivery of legal aid to low-income Iowans?**

A restructured delivery system was implemented in 2003. This restructuring was the result of a directive from the national Legal Services Corporation (LSC), the funding source that distributes federal funds to legal services programs in all states. LSC required programs receiving federal funds to go through a state planning process to examine the delivery system for civil legal assistance. In 2001, LSC announced that effective January 1, 2003, there would be only one LSC grantee in the state of Iowa.

This decision by LSC resulted in the Boards of the two existing recipients of LSC funding, the Legal Services Corporation of Iowa (LSCI) and the Legal Aid Society of Polk County (LASPC), establishing a "Reconfiguration Committee." This Committee was chaired by Robert N. Downer, Past President of the Iowa State Bar Association (ISBA).

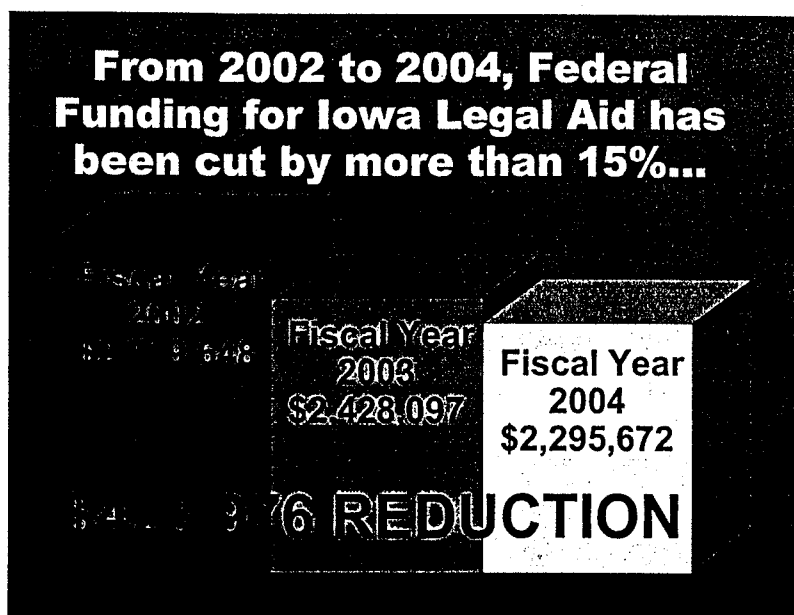
The Committee, and ultimately the Boards of the two organizations, concluded that a new organization should be established. On January 1, 2003, Iowa Legal Aid was created through the merger of the Legal Services Corporation of Iowa and the Legal Aid Society of Polk County using the corporate structure of the Legal Services Corporation of Iowa.

Iowa Legal Aid began operating on January 1, 2003. Iowa Legal Aid has offices located in Cedar Rapids, Council Bluffs, Davenport (through a subgrant to HELP Legal Assistance), Des Moines, Dubuque, Iowa City, Mason City, Ottumwa, Sioux City and Waterloo. The program serves residents in all of Iowa's counties.

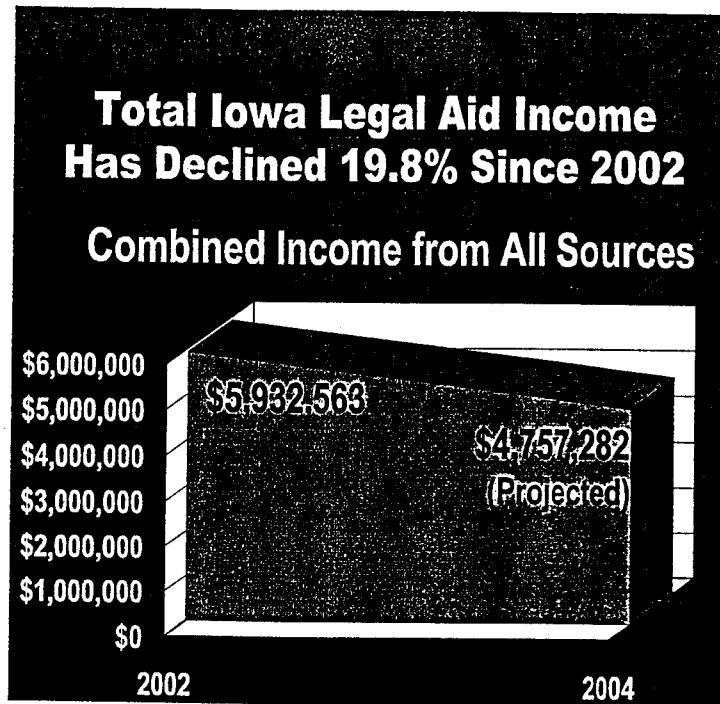
The creation of Iowa Legal Aid presents some opportunities for streamlining the delivery system. Iowa Legal Aid will operate with one administrative structure and assist in the coordination of the delivery of volunteer services through volunteer lawyers projects.

2. What are the significant funding problems that are facing Iowa Legal Aid?

Due to reductions in funding at the state, federal and local levels, Iowa Legal Aid is projecting revenues in 2004 will be \$1,175,281 less than the income received in 2002.



Federal funding from the Legal Services Corporation (LSC) was reduced in 2003 by more than \$290,000, a 10.8 percent reduction, due to the 2000 Census figures. The number of low-income people living in Iowa hasn't dropped significantly, but federal dollars were shifted to states with faster-growing populations. Federal funding for 2004 was reduced by an additional \$133,000 which will result in federal funding that is nearly \$424,000 less in 2004 than it was in 2002.



- State funding from the Iowa General Assembly has been reduced significantly since 1996, when it was initially set at \$950,000. State funding in the current year (FY04) totals \$700,439 from the Civil Reparations Trust Fund.
- Low interest rates reduced the grant from the Interest on Lawyers Trust Account Commission by 5 percent in FY03 and an additional 40 percent for FY04 for a total reduction from FY02 to FY04 of \$244,763. The grant is expected to continue at the reduced level for FY05.
- A hiring freeze has kept 17.5 attorney positions from being filled statewide. Iowa's legal services staff are among the lowest paid in the profession, with entry level salaries for attorneys at \$32,000 per year.

3. **What is the history of and what is the use of the Legal Services for Persons in Poverty Grants Program funds?**

The Legal Services for Persons in Poverty Grants Program started in 1996 when Iowa Legal Aid sustained large reductions in federal funding for legal services to low-income Iowans. The chart below sets forth the amount of federal funding provided to Legal Services programs nationally, the amount of federal funding provided to Iowa Legal Aid and the state funding provided for each of the past eight years.

Legal Services Federal and State Funding History  
1995 to 2003

Calendar Year	Federal Appropriation	Iowa Federal Funding	State Funding Requested	State Funding Received	Civil Reparations Trust Fund <sup>1</sup>	State Fiscal Year <sup>2</sup>
1995	\$415 mil.	\$3,312,048	0	0		FY 1996
1996	\$278 mil.	\$2,370,513	\$950,000	\$950,000		FY 1997
1997	\$283 mil.	\$2,414,512	\$950,000	\$500,000		FY 1998
1998	\$283 mil.	\$2,414,512	\$950,000	\$600,000		FY 1999
1999	\$300 mil.	\$2,542,977	\$950,000	\$700,000		FY 2000
2000	\$303.8 mil.	\$2,539,523	\$950,000	\$700,000		FY 2001
2001	\$329.3 mil.	\$2,713,664	\$950,000	\$670,000 reduced by 4.3% to \$641,190	\$175,500	FY 2002
2002	\$329.3 mil.	\$2,719,648	\$950,000	\$554,910 <sup>3</sup>	\$108,497	FY2003
2003	\$338.8 mil.	\$2,428,097	\$950,000	0	\$700,439	FY 2004

Each year since 1996, the main objective in requesting state funding has been to maintain services at a level roughly comparable to what the programs were providing prior to the 1995 federal budget reductions. This objective has not been fulfilled. In 1996 Iowa Legal Aid had a staff of 64 attorneys. Today there are only 50.5 attorneys and a looming 2004 deficit of over \$400,000.

While there have been increases in federal Legal Services Corporation funding since the major reductions in 1996, these increases have not kept up with rates of inflation, or with the increasing costs faced by Iowa's Legal Services programs which will be discussed in more detail later in this report. In addition, as mentioned in item #2 above, federal funds for 2003 have been reallocated based on the latest census figures, resulting in a 10.8% reduction in LSC funds to Iowa, or over \$290,000 in 2003. Another \$133,000 reduction has been made for 2004 and an additional \$75,000 is projected in 2005 as the new census figures are fully implemented. State

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<sup>1</sup>This information is for grants which can be used for general services to low-income Iowans.

<sup>2</sup>The state fiscal year runs from July 1 through June 30.

<sup>3</sup>During the last Special Session of the General Assembly in 2002, the Attorney General's office budget was rolled into one lump sum rather than specific line items. The amount indicated is the amount of the contract between the Attorney General's office and Iowa Legal Aid.

funding is critical in order to avoid any further erosion in the ability of Iowa's Legal Services programs to serve low-income residents.

Another source of revenue to provide civil legal services to low-income Iowans has been the Civil Reparations Trust Fund. This fund, administered by the State of Iowa Executive Council, has historically provided funds to support legal assistance to financially distressed Iowa farmers and the Legal Hotline for Older Iowans. The fund was used to maintain state support for the Legal Services for Persons in Poverty Grants Program in FY03 and FY04 at a level of approximately \$700,000, but there are not sufficient monies in the fund to provide similar funding for FY05. The Attorney General's office continues to have authority pursuant to the appropriations language and Iowa Code Chapter 13 to contract with a not-for-profit organization that has received a reduction in federal funding to provide legal services to low-income Iowans. **The state commitment to ensuring access to Iowa's court system for low-income Iowans remains a vital state function which, fortunately, can be partially met from the Civil Reparations Trust Fund during this tight budget year. Future years will require line item appropriations from the general fund, particularly if services are to be retained at past levels.**

#### **State Funding Provides Critical Services in all 99 Counties:**

Iowa's legal services programs **provide services to residents of all 99** counties of the state. All of the ten offices of Iowa Legal Aid (located in Cedar Rapids, Council Bluffs, Davenport [through a subgrant to HELP Legal Assistance], Des Moines, Dubuque, Iowa City, Mason City, Ottumwa, Sioux City and Waterloo) receive state funding in order to maintain services throughout the state.

In 2003, over 20,000 cases were closed. The number of people in the households of clients represented is tracked so that projections can be made as to the number of individual Iowans who are helped through the cases that were closed in 2003. Based on the figures tracked, the estimated number of individuals in the households helped in 2003 was 48,000 Iowans. In 2002, Iowa Legal Aid closed 22,200 cases which helped 55,000 people. The number of persons served is decreasing since less staff is available to provide services. It is anticipated that there will be additional reductions in numbers of individuals served in 2004 because of budget reductions, given the status of state, federal and other funding sources. In fact, records currently indicate that more than 800 people are being turned away each month.

The state funding allows staffing of offices at minimum levels so that all ten offices can continue to provide services to low-income clients. Iowa's programs provide services to clients with legal problems involving the most critical issues affecting safety, housing and other basic necessities of life. Given limited resources and the large numbers of clients eligible for services, the Board of Directors of Iowa Legal Aid sets priorities for the types of cases to be handled. The resources are targeted to those types of legal problems which, if not addressed, would potentially have the most adverse impact on the client.



Of the cases handled, approximately 37% involve family law matters. Most of those cases involve domestic abuse. Iowa's legal services programs help obtain protection orders for survivors of domestic violence. As a part of these protection orders, custody, child support, access to the home and related critical issues are addressed. In some instances, dissolutions of marriages are obtained in those cases where domestic violence has occurred. Most of the clients represented in this category of cases are women and children. In fact, in 2003, over 70% of all cases handled by legal services programs were on behalf of women as the primary client.

Approximately 12% of cases involve income support programs. Most of these cases involve problems with Supplemental Security Income Disability Benefits and other disability programs administered by the Social Security Administration.

Nearly 16% of the cases involve consumer problems such as utility shutoffs, unfair debt collection practices, debt restructuring for Iowa's financially distressed farmers, and illegal sales practices.

The remaining approximately 35% of cases involve access to housing and health care, legal problems affecting people with disabilities, or elderly individuals living in nursing homes or in their own homes in the community. Almost 20% of the clients served are Iowans over age 60. In addition to direct services, state funds have also been used to process referrals to private attorneys through the three Volunteer Lawyers Projects.

Most of the cases handled by Iowa's legal services offices are in state court or before state administrative agencies. **The provision of state funding to help low-income people with civil law problems makes the state judicial system work more efficiently.** The sharing of costs between the federal and state governments for civil legal services is a good and necessary way to ensure equal access to the courts--one of the foundations of our nation of laws. Indeed, the Constitution of the United States, in its Preamble, states that one of the reasons for the adoption of the Constitution is to "establish justice". Carved above the steps of the United States Supreme Court is a promise of "equal justice under law". Without a lawyer, it is often impossible for low-income people to obtain justice.

4. **Who is provided assistance with funds from the Legal Services Grants Program?**

The simplest answer to this question is that most of the cases in which legal services offices provide help primarily **benefit women and children in every Iowa County**. Services are provided every year to residents of all 99 counties. In 2003, over 70% of the cases closed continued to be on behalf of women as the primary client. Most of those female clients are single parent households headed by low-income Iowa women. Many cases involved women who were involved in abusive relationships and needed legal assistance to ensure safety for themselves and their children, and to move on to become more productive citizens. See question #7 below.

Although exact counts are not available, the statistics that have been kept allow for a very close approximation of the number of children helped. Of the cases closed from 1/1/03 - 12/31/03 it is projected that approximately 20,000 children were involved in those households as either the direct or indirect beneficiaries of the legal assistance that was provided. Almost 20% of the programs' clients are elderly Iowans.

Iowans with disabilities were another significant portion of the clients assisted. While some people are born with disabilities such as physical limitations or mental retardation, others become disabled later in life as a result of an accident or illness. Iowa Legal Aid helps many individuals with disabilities in a variety of ways. Legal assistance helps individuals to obtain disability benefits, rehabilitative services, health care benefits, and to deal with problems they may confront in their communities as a result of their disability, including discrimination in employment and housing.

Iowa Legal Aid continues to use a priority system that tries to focus on the most critical legal problems. The system, which is basically a triage approach, tries to identify those individuals who would be most adversely affected should services be denied. Unfortunately, often there are hearings scheduled in multiple counties in the service area at or near the same time making it logistically impossible to handle hearings in offices with the reduced staff levels of three and four attorneys in an office that are currently available.

While the clients served with funds provided by the State of Iowa may have a variety of backgrounds, all clients must be low-income and own few assets. Clients must meet both income and asset eligibility guidelines established by federal regulations. The basic eligibility guideline is 125% of the poverty level. This figure is determined based on the number of people in the household. For Iowa's programs, the basic eligibility level<sup>4</sup> currently is:

Household Size	Income	Household Size	Income
1 person	\$11,075	3 people	\$18,775
2 people	\$14,925	4 people	\$22,625

Under federal regulations, there are certain exceptions allowing representation of individuals with slightly higher incomes in areas of the law not typically handled by the private bar. These exceptions include those individuals who have excessive medical expenses, child support payments or excessive work-related expenses. Persons confined in medical institutions may also be assisted if their incomes exceed these limits. Although these exceptions are not routinely

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<sup>4</sup> These figures are below the 125% of federal poverty level. Iowa Legal Aid's Board of Directors chose not to increase eligibility guidelines to serve all those who are eligible given the reduction in resources available to provide legal assistance.

utilized, they do allow representation of individuals with slightly higher incomes if their expenses are sufficient to bring them below the basic eligibility guidelines. For instance, a one-person household with income up to \$16,613 could be provided assistance if they met one of these exceptions.

Clients must also meet asset restrictions. While the individual's home is not included in determining eligibility, the other restrictions on assets are similar to those applied in public benefits programs administered by the Iowa Department of Human Services or the Social Security Administration. They include limitations on liquid assets as well as non-liquid assets.

**5. Why is State funding particularly important this year?**

Iowa Legal Aid's basic operating funds have been drastically reduced for reasons unrelated to the need of low-income Iowans for services. Calendar year 2003 was the first year that federal funding for legal services programs was based on the 2000 census. Since Iowa's population increased by only a small amount in 2000 over 1990, Iowa Legal Aid lost more than \$290,000 in federal funding for calendar year 2003. The total loss of funding based on the census will be \$424,395 in 2004. This census-based reduction in funding which will continue in future years. In fact, the remainder of the adjustment due to the 2000 census figures is likely to take place in 2005, resulting in a total loss in federal funding of approximately \$500,000. When adjusted for inflation, the federal loss is even larger.

Iowa Legal Aid also suffered a loss in funding for the 2004 fiscal year from the IOLTA Commission due to low interest rates. The 5% in FY03 was small in comparison to the 40% reduction in 2004. Total reductions to date in IOLTA funding from 2002 to 2004 are \$245,000. Reductions of an additional 25% could be made for the year beginning July 1, 2004.

Iowa Legal Aid is projecting that in 2004 income received will be \$1,175,281 less than was received in 2002. To date 17.5 attorney positions are vacant along with 6 support positions. Additional reductions will be necessary if new funding is not received. Iowa Legal Aid is projecting a deficit for calendar year 2004 of \$401,455, even assuming receiving grants totaling \$574,410 from the state of Iowa.

In addition to mitigating some of the funding losses this year, state funding is important for the following reasons:

- Most of the problems handled by Iowa Legal Aid offices involve state courts or state administrative agencies and involve critical legal problems affecting safety, health care, housing and other basic necessities.
- Approximately 800 people per month are rejected for services.

Annual Report to Members of the General Assembly  
Legal Services for Persons in Poverty Grants Program - Calendar Year 2003

- Access to the court system for Iowa's most vulnerable people is critical to Iowans' sense of fair play and quality of life.
- Fundamental fairness requires that low-income Iowans, our most vulnerable citizens, have access to competent legal assistance in the court system when confronted with legal problems.
- When individuals are provided services, many are provided less extensive services than are needed. Advice and brief service often substitutes for representation in court or administrative proceedings because of lack of resources.
- Entry level salaries for staff attorneys just graduated from law school are among the lowest in the profession at \$32,000 annually. Comparable entry level salaries for the state Public Defender's office and the Attorney General's office are \$40,200 per year, up from \$39,400 a year ago.
- State funding is vital because it provides financial stability to Iowa Legal Aid offices since a large number of funding sources are for specialized projects and for short duration.

6. **What are the types of legal problems with which assistance is provided?**

Set forth in answer to question #3 is a brief summary of the primary types of cases handled by Iowa's Legal Services programs. The types of cases handled are determined by the Legal Aid program's priorities, which are adopted by the Board of Directors. The effect of these priorities is that state funding is used to obtain protection orders in domestic violence cases. State funds are used to obtain federally-funded disability benefits for disabled people who would otherwise be dependent on state and county assistance. State funds are used to obtain housing and a safe environment for low-income children. It has made possible representation for literally thousands of Iowans who have legal problems involving basic necessities of life and safety.

The best way to give meaning to the types of cases that are handled by Iowa's Legal Services programs is to provide real examples of clients who have been assisted. These clients have agreed to have their stories told using their names and locations.

**Abusive Relationship Ends for Disabled Woman, New Life Begins**

**Judy Ahrens**

**Altoona, Iowa**

Judy Ahrens first arrived at Iowa Legal Aid seeking legal advice about her marriage. After several meetings and telephone calls, Iowa Legal Aid discovered that Judy, whose health concerns included being blind, diabetic and confined to a wheelchair, was involved in not only an

unstable marriage, but an abusive one as well. Because of her outstanding medical expenses, and the lack of resources for persons in her position, Judy requested assistance with a divorce action and protective order.

Toward the conclusion of her divorce case, Judy supplied Iowa Legal Aid with many notices from creditors for medical debts and expenses created by her husband. With that information, Iowa Legal Aid was also able to assist her in filing for a bankruptcy, her only option considering her only source of income was \$495 a month in Supplemental Security Income. Judy has now moved into a new apartment through the Section 8 Housing Assistance program and hopes to continue her education and seek some form of employment.

### **Real Estate Reassessment Saves Couple's Income**

**Howard and Sandra Cupples**

**Kellogg, Iowa**

- Rules and regulations from the Social Security Administration can be complex and difficult to negotiate. That is what the Cupples found when they received a notice from Social Security that they owed the agency more than \$11,000 because they owned a piece of real estate that had not been reported to the agency. Iowa Legal Aid was able to demonstrate that the Cupples had, in fact, reported the real estate in 1995, and furthermore, testimony from a realtor and the Department of Natural Resources demonstrated that since the property was in a flood plain and was zoned in a certain way, the real estate was essentially valueless. With a decision in their favor, Howard and Sandra were able to keep their assistance income at the same level, crucial for an elderly fixed-income couple.

### **Benefits Hearing Allows Disabled Man to Keep Living at Home**

**Dan Hoffman**

**Fairfield, Iowa**

Dan Hoffman has Becker's Muscular Dystrophy, a progressive muscle wasting disease, and is confined to a wheelchair. Yet he is able to live in his own house in Fairfield with a daughter and granddaughter with the help of homemaker, home health, nursing, and other services through Medicaid. Dan called Iowa Legal Aid to ask for help after his request to the state to increase his level of care was denied. Iowa Legal Aid represented Dan in his appeal in front of an Administrative Law Judge, a hearing that he won.

Because Dan was able to add physical therapy and help with basic tasks like bathing and taking vitamin shots to his home healthcare, he is able to stay in his own home. Dan's services now cost the state \$2,480 per month, as compared to the \$4,767 per month which is the statewide average cost in a nonhospital skilled care facility. Clearly, helping Dan be able to stay with his family is better for him and better for Iowa, too.

**Dad's Dilemma: Child Support Due for Daughter at Home**

**Mike Reader**

**Palmer, Iowa**

Laid off from his job and collecting unemployment, Mike Reader couldn't afford his child support payments of \$283 a month. But he shouldn't have had to pay that cost – his daughter Erica was now living with him after the Department of Human Services and Juvenile Court had removed her from her mother's care. Unfortunately, the bureaucracy hadn't caught up, and Erica's mother would not agree to voluntarily suspend the child support order. Iowa Legal Aid filed the necessary paperwork to end the income withholding and to have Erica's mother reimburse Mike for the more than \$1,400 in overpaid support. Today, Mike is back at work, and Erica is doing well living with her dad.

**Nervous Breakdown Nearly Leads to Homelessness**

**Harold Richards**

**Council Bluffs, Iowa**

In June, 2000, Harold Richards refinanced his home to pay for a divorce and his ex-wife's share of the property settlement. Following the divorce, Harold suffered a nervous breakdown, began to miss work, and eventually quit his job. For six months, he secluded himself in his home, failing to pay his mortgage. Although Mr. Richards applied for credit disability insurance and credit unemployment insurance benefits he had purchased in connection with the refinanced mortgage, the insurance company had not received sufficient verification of his disability to cover the payments. A judgment foreclosing on Harold's house was entered against him, and a sheriff's sale of the property was scheduled.

With his son's help, Harold began to get medical treatment, and a private attorney referred him to Iowa Legal Aid for legal assistance. Through the Iowa Insurance Commissioner, legal aid convinced the insurance company to reexamine the case and then helped Harold gather medical reports to substantiate his claim. The insurance company approved the claim and paid the missed mortgage payments. The court set aside the foreclosure judgment a mere five days before Harold's redemption period expired. The assistance of Iowa Legal Aid prevented Harold from losing his home and allowed him to focus on regaining his health and returning to work.

**Evening the Playing Field at Domestic Violence Hearing**

**Cathy Van Maanen**

**LeMars, Iowa**

Cathy Van Maanen first heard about Iowa Legal Aid through the Community Coalition Against Domestic Violence in LeMars. Cathy had obtained a domestic abuse order without an attorney, but when her husband violated the order, he was given a court-appointed attorney. Without an attorney

for the contempt hearing, Cathy was at a distinct disadvantage. That's when she contacted Iowa Legal Aid. With Legal Aid's help, Cathy won the contempt hearing against her husband, and she has now established a safe home for herself and her children and is working in the community.

**Domestic Abuse Overcome by Immigrant Woman**

**Pattra Champaruang**

**Cedar Rapids, Iowa**

Pattra Champaruang and her five-year-old son followed her husband from Thailand to the United States looking for a better life. Unfortunately, things did not work out quite as she planned. Because of violence in her relationship with her husband, she sought shelter and was referred to Iowa Legal Aid by another service agency in Cedar Rapids. With help of Iowa Legal Aid she obtained a one year protective order and obtained custody of her son. Iowa Legal Aid then filed a divorce on Ms. Champaraung's behalf in which she got permanent custody of the couple's child and child support.

- Shortly after the domestic abuse case was finished, the husband's sister sued Ms. Champaruang in small claims court for \$4,000 in back rent for the few months she had lived with her husband's family upon arriving in the United States, despite the fact that there was no lease agreement or any kind of contract for rent. Iowa Legal Aid assisted her in mediation, which was unsuccessful, and then at the trial, which she won. Well-educated, but with limited English and no real understanding of the U.S. legal system, Pattra could never have maneuvered through the system alone. She is now getting assistance from a volunteer lawyer to file for her taxes and get the Earned Income Credit.

**With Housing Defense, College Student Graduates**

**Morgan Hoosman**

**Iowa City, Iowa**

Morgan Hoosman, a low-income single mother with two small children, had gone back to school at the University of Iowa. At the beginning of her last semester, Morgan lost her state child care subsidy because she had reached the end of the two-year limit. Without child care, Morgan would have to drop out of school, so she asked her mother to help watch the kids while she was in class.

Just before Morgan's graduation, the Iowa Housing Authority attempted to terminate her Section 8 benefits for her mother's assistance, saying she was an unauthorized person living in the household. Iowa Legal Aid represented Morgan, demonstrating that her mother had maintained her house in Waterloo, never moved any belongings into Morgan's apartment, and the two had been scrupulously careful to follow the rules to avoid co-mingling their incomes or even food supplies. Morgan won the case, was able to keep her Section 8 housing, and has completed a Bachelor's degree. She is now beginning a career as a social worker. The legal help she was provided will allow her to move forward with her plans to become self sufficient.

**Stalking Victim gets Protective Order**

Catherine Soto

Waterloo, Iowa

Catherine Soto was referred to Iowa Legal Aid by the Family Service League for help with a protective order. She had filed her own Petition with the Court, but sought representation at the time of her hearing. She was being stalked by her former boyfriend. Cathy is a single parent raising an adolescent son.

After the temporary protective order was served, her boyfriend tried to run her off the road while she was driving. He also came to her home late at night. Iowa Legal Aid represented Cathy at her hearing on the permanent protective order and the contempt proceedings. The client was given a permanent protective order and the boyfriend was ordered to serve a jail sentence for each of the violations. Cathy is now working two part-time jobs while she is completing her degree in law enforcement and plans to go on and get her four-year degree at the University of Northern Iowa.

**Modification of Custody Case to Allow Children to Remain in Dubuque**

- Renee Weis

Dubuque, IA

In late 2000, Renee Weis received word that her ex-husband and the father of her children was coming to Dubuque to celebrate the Christmas holidays. He also informed her that the children were going to now live with him in Alabama, a place the children had only visited once. He directed that the children's educational records be transferred to his local school district. They were to depart to live in Alabama immediately after the Christmas holiday. The children would have been uprooted from the only hometown and family they had ever known to go live in a strange place.

Though the couple's marriage had been dissolved in 1999, there was no custody order in place directing which parent had primary custody over the children. Ms. Weis came to Iowa Legal Aid for help. Neither she nor the extended family wanted to see the children uprooted. Through the efforts of Iowa Legal Aid Ms. Weis received representation and filed for a modification of the dissolution of marriage decree. The Judge issued a temporary order directing that the children were to remain with her until a hearing could be held on the custody issue. In October, 2002 a Dubuque County Judge entered an order directing that the children should remain in Dubuque for the school year and spend a significant time in the summer with their father in Alabama. Ms. Weis was also awarded child support. Ms. Weis is completing school and plans to work in office management.

These examples are just a few of the thousands of typical cases handled each year for people who live in both rural and urban parts of Iowa. The work done by Iowa Legal Aid lawyers helps to ensure that the laws enacted by the General Assembly are carried out to achieve their intended purpose.



**7. What is the involvement of Iowa's Legal Services programs in domestic violence cases?**

Almost 37% of the cases handled by Iowa's legal services programs involve family law matters. Most of those cases involve domestic violence. Iowa Legal Aid offices help thousands of Iowans each year in obtaining civil protection orders. These cases sometimes involve interaction between the civil court system and the Indigent Defense Program, which is also funded by the Justice Systems Appropriation Subcommittee, since the alleged abuser may be entitled to a court-appointed attorney.

Civil protection orders are started by the filing of a petition, which can be done by the client pro se. Temporary relief is available promptly and can be ordered based on the information contained in the petition. Up to this point, the process is very informal. The next stage is the hearing on the permanent protection order. At this hearing, the proceeding will likely be in the courtroom and the defendant (the alleged abuser) may be represented by an attorney.

If a final protection order is entered, there may still be need for further proceedings if the defendant violates the order. If the police have probable cause to believe that a person has violated a protection order, the defendant may be brought to court and ordered to appear before the court which issued the original order. The plaintiff may also file an affidavit to start contempt proceedings. If the court finds there is probable cause to believe that a protection order has been violated, a hearing will be held. The defendant is notified that there is a right to appointment of an attorney if the defendant cannot afford to hire one. This appointment of counsel is required under the law whenever someone may end up spending time in jail. Under Iowa Code §236.8, if a defendant is held in contempt, the defendant must serve a jail sentence. As a result, all indigent defendants are appointed counsel, either through the Indigent Defense Fund or the Public Defender's Offices. The abused plaintiff, however, is not entitled to any appointed counsel and so must pursue the contempt pro se or obtain counsel from a legal services program if they cannot afford an attorney.

A no-contact order may also be entered as part of a criminal case. Not all domestic abuse cases result in a criminal charge. The authority to bring and prosecute the case is given to the county attorney. The decision to charge is based on numerous factors, including the ability to prove the action under a higher burden of proof, or beyond a reasonable doubt. If there is a violation of the no-contact order in a criminal case, the county attorney will handle any enforcement action. The defendant, if indigent, will have the opportunity to have counsel appointed during the case as well as during any contempt.

While obtaining a protection order is of primary importance in a domestic abuse matter, it is only one of many important issues that confront a victim of domestic abuse. Iowa Legal Aid offices also help clients retain custody of their children, obtain child and spousal support and maintain the possession of their homes and personal belongings. In addition, domestic violence often generates other problems ranging from losing a job to not having sufficient income. Iowa Legal Aid assists

many victims of domestic violence with matters involving unemployment insurance, evictions and obtaining public benefits so that they can maintain a minimal standard of living and work toward self-sufficiency.

Legal Aid programs' involvement in domestic violence cases can mean the difference between life and death. More often, providing legal services to a victim of domestic violence makes the difference between a client continuing to be abused or getting out of the relationship. The director of the Iowa Coalition Against Domestic Violence program has indicated that access to a lawyer for a domestic violence victim is the most important factor in determining whether a victim will leave an abusive relationship. A recent study has reported that access to an attorney is more critical to breaking the cycle of violence than are shelter services.

**8. How are legal services provided to elderly Iowans?**

Iowa's legal services programs have long had a commitment to addressing the most critical legal problems confronted by elderly Iowans. In 2003, almost 20% of the clients served were 60 years of age or older. These efforts are supported by a close working relationship with the Iowa Department of Elder Affairs, Iowa's Area Agencies on Aging and other agencies and organizations that serve older Iowans. Twelve of the 13 Area Agencies on Aging in Iowa contract with Iowa Legal Aid offices for the provision of legal services to older Iowans in economic and social need. Iowa Legal Aid helps older Iowans with consumer fraud issues, public benefits, guardianships and conservatorships; wills and end-of-life planning; health care problems; preparation and execution of forms for medical powers of attorney; and other elder law issues.

Beginning in 1998, Iowa Legal Aid was able to enhance the services that were provided to older Iowans with a grant from the United States Administration on Aging to establish a Legal Hotline for Older Iowans. This grant ended in September, 2003, but Iowa Legal Aid is attempting to continue this highly popular service with grants from other sources. The Hotline provides advice, and on occasion, brief service, to older Iowans who contact the Hotline. If more extensive representation is needed, it is available to low-income older Iowans who need assistance through Legal Aid offices throughout the state or through volunteer attorneys participating in Iowa's Volunteer Lawyers Projects.

**9. How do the Bar Association and Iowa lawyers help resolve the legal problems of low-income Iowans?**

Iowa's legal community, including individual lawyers and the leadership of the Iowa State Bar Association, have been extremely supportive of Iowa Legal Aid offices and helpful in ensuring that access to justice is possible for those without the financial means to hire a private attorney. In 1982, Iowa's legal services programs, in conjunction with the Iowa State Bar Association, established a Volunteer Lawyers Project.

The structure for pro bono services in Iowa includes the Iowa State Bar Association Volunteer Lawyers Project (ISBA VLP), which is a separate not-for-profit entity independent of the Iowa State Bar Association (ISBA). The mission of the ISBA VLP is to assist low-income Iowans by enhancing their access to the civil legal system by promoting and encouraging the use of pro bono legal services. The ISBA VLP strives toward this mission through statewide recruitment of volunteers, the development of programs to address special issues facing the legal community, the recognition of volunteer attorneys, and by providing technical assistance and support services to the direct delivery VLP programs.

The entities that are involved in placement of cases with volunteer lawyers include the Iowa Legal Aid Volunteer Lawyers Project that is responsible for placement of cases in 97 of Iowa's 99 counties. The Polk County Bar Association Volunteer Lawyers Project (PCBA VLP) is responsible for placement of cases in Polk County. The Pro Bono Project of HELP Legal Assistance and the Scott County Bar Association is responsible for placement of cases in Scott County.

The types of cases handled by the Iowa Legal Aid Volunteer Lawyers Project are limited to civil law matters. Potential clients are selected from those people who contact Iowa Legal Aid regional offices. Persons contacting the offices are screened for income and resource eligibility, as well as type and merit of legal problems. The regional office staff make the decision as to whether the case is appropriate to refer to the Iowa Legal Aid Volunteer Lawyers Project or a case in which Iowa Legal Aid staff will provide advice, representation, or referral of the client.

In 2003, more than 1,550 cases were closed by volunteer lawyers in Iowa who contributed over 15,355 hours of service on those cases. If this time is valued at \$125.00 per hour, the in-kind donated contributions are \$1,919,430.

Iowa lawyers also make cash donations to Iowa's legal services programs. Donations to the Iowa Lawyers Campaign for Legal Services (now in its seventh year operating under the leadership of the President of the Iowa State Bar Association) and other financial contributions to Iowa's legal services programs, amounted to nearly \$175,000 in 2003.

10.      **What efforts have been made by Iowa's Legal Services programs to find alternative sources of revenue to replace any reductions in federal funding? Where does other funding come from?**

Once again during the past year, Iowa's legal services programs have worked to expand their funding base by continuing to seek funding from new sources. **In the early 1980's, over 95 percent of the funding for Iowa's programs came from federal sources. Presently, that figure is under 50 percent.** The on-going reductions in federal funds have been offset to some degree by additional fundraising efforts, and **Iowa's ten Legal Aid offices have received funding from over 50 funding sources during the last year.** These sources include contracts with Area Agencies on Aging, grants from United Ways and a grant from the United States Department of Justice for

domestic abuse representation, as well as several small grants from local foundations and racing and gaming associations.

Successful fundraising is critical to Iowa's legal aid offices if they are to maintain even the minimal level of services currently available to low-income Iowans. The federal reduction in funding in 1996 of \$1 million could have resulted in a dramatic reduction in services, had those funds not been replaced by state funding and funding from other grants. The same is true with the current federal reductions resulting from the reallocation of grants based on the 2000 census.

General purpose funding, such as that from the state and federal governments, is the core funding for Iowa's legal services programs and is necessary to continue to provide access to the courts for low-income people with civil law problems. Most of the other new sources of funding are for specialized services, such as those to domestic abuse survivors or people who are homeless. Many of these grants are also for a specified period of time and cannot be counted on as ongoing sources of revenue.

The use of specialized funding has made possible the continuation of the services which are presently available. However, as discussed more fully in Item 5 above, state funding is needed to maintain the basic structure of legal services because of increased personnel costs, health insurance costs, and other operating expenditures. State funding for legal services is critical because it pays for much of the general purpose expenses that had been paid with federal funds prior to 1996.

Examples of the ongoing efforts to secure funding are summarized below:

#### Annual Fundraising Campaign

In 2003 Iowa Legal Aid stepped up its private fundraising efforts with its first Annual Fundraising Campaign. The Campaign emphasized receiving contributions from lawyers throughout the state, but also made a more concerted effort to expand the giving base to other individuals, corporations and foundations. The Campaign was chaired this year by former Governor Robert D. Ray, Des Moines attorney Elizabeth S. Kruidenier and former Congressman Neal Smith. While final figures for the 2003 Campaign have not yet been compiled, Iowa Legal Aid raised over \$300,000. Without these funds, the projected budget shortfall between 2002 and 2004 would be that much higher. In addition to donations from hundreds of Iowa lawyers, other major donors include the Knapp Foundation, Principal Foundation, Musco Lighting and the Kruidenier Foundation.

#### IOLTA Funding

One of the funding sources for Iowa's legal services programs that was of critical importance in the early years of diversifying funding was the Interest on Lawyers Trust Account Commission (IOLTA). The IOLTA Commission was set up by the Iowa Supreme Court and requires that money which is held by attorneys on behalf of clients be put in trust accounts, the interest on which is paid

to the IOLTA Commission. The Commission makes grants to provide civil legal services to low-income Iowans. These grants have provided basic operating expenses for programs. Reduced interest rates in past years have led to reductions in grants from this Commission. Grants for FY03 were reduced by 5%. Grants for the fiscal year beginning July 1, 2003 were reduced by an additional 40% or \$216,302. Another 25% reduction is anticipated for the year beginning July 1, 2004.

In last year's report, the future of IOLTA funding was reported to be in some doubt given the case pending before the United States Supreme Court. Fortunately, the Court ruled that the structure of IOLTA programs in the state where they were under challenge (Texas) was constitutional. This means that IOLTA's program, although receiving reduced revenues, will most likely continue.

#### Domestic Violence Funding

In 1999, Iowa Legal Aid received a grant from the United States Department of Justice Violence Against Women Act (VAWA) Grants Program. The grant supports the provision of services in five of Iowa Legal Aid's offices. While this funding will assist Iowa Legal Aid to be able to provide services to domestic violence survivors, it is again specialized funding and available in only part of the state. In addition, the grant does not replace the federal funding which was lost from the state VAWA office and VOCA funding as a result of reductions in funding in the VOCA Program which resulted in shelters not renewing their contracts with Iowa Legal Aid offices. Iowa Legal Aid's offices will continue their efforts to receive funding for domestic abuse representation as those opportunities become available.

#### Tax Grant

An example of Iowa Legal Aid's efforts to try to undertake extraordinary efforts to raise other funds in order to maintain services is exemplified by a grant received from the Internal Revenue Service. This small grant, first received in 2000, supports funding to provide outreach to individuals for whom English is a second language about their tax rights and responsibilities. The main focus of the project is to assist people for whom English is a second language in obtaining the Earned Income Tax Credit. This tax credit results in additional dollars being retained in low-income people's households which are then spent in Iowa, helping the Iowa economy. This grant also allows for assistance to low-income individuals who are having problems with the IRS. Much of the legal assistance provided in this project is provided by volunteer attorneys who have expertise with tax problems. This project has resulted in additional contributions of donated time for Iowa's low-income people by private attorneys with expertise in tax law. In 2003 the tax grant was \$85,500. The exact amount for 2004 has not yet been released.

#### Gaming Industry

Iowa's gaming industry continues to make significant contributions to Iowa's legal services

programs.

- The Polk County Board of Supervisors provided a grant to the Legal Aid Society of Polk County through funds that it received from Prairie Meadows in the amount of \$250,000. This grant was reduced to \$125,000 in the fiscal year beginning July 1, 2002 and eliminated for FY04.
- Prairie Meadows Racing Association of Central Iowa granted Iowa Legal Aid \$5,000 in 1999 for the purpose of studying the program's future telecommunications needs. A grant of \$10,000 in 2000 was awarded to implement some of the recommendations made as part of the telecommunications study. In 2002 a grant in the amount of \$10,000 was provided to update case management software. In 2004 Prairie Meadows is providing a \$10,000 grant to provide outreach and education in the central Iowa area regarding the tax project to help draw down the IRS grant which requires a 100% match.
- Iowa West Racing Association in Council Bluffs has provided funds on four different occasions. The first was to purchase computer equipment for the Southwest Regional Office in Council Bluffs. The second grant was to provide specialized domestic violence services to survivors of domestic violence in 14 southwestern Iowa counties. Grants were made in 2000 and 2001 to address some technology issues and some costs associated with legal services to youth at risk. A new application is pending which requests continued funding for youth services and a new grant to improve technology in the Southwest Iowa Regional Office.
- The Dubuque Racing Association has also provided grants to the Northeast Regional Office in Dubuque to help purchase computer and telecommunications equipment. The most recent grant provided support for new telephone technology.

#### Other funding developments

Iowa Legal Aid offices have also been active in seeking funding and donations to improve their technological infrastructure. A grant was awarded from the Technology Initiatives Grant program through the Legal Services Corporation to create a wide area network connecting all of Iowa's Legal Aid offices and to allow the offices to have updated case management software and an updated database for case management. These special one-time grants allow Iowa's Legal Aid offices to upgrade some of our inadequate technology. This will allow the services to be provided more efficiently and better serve low-income Iowans.

## **11. Conclusion**

As demonstrated by the work performed in administering the state funds as well as the funds from nearly 50 other sources, Iowa's Legal Aid offices do an effective job in providing services to clients. Work is done with other agencies providing services to low-income Iowans to ensure that

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low-income Iowans receive the critical legal services they need in an efficient and professional manner. The work that is done contributes to the economic well-being of Iowa's citizens, as well as contributing to the sense of fair play that is a part of the fabric of Iowa as well as the goal of our justice system in promising "Equal Justice Under Law."

The opportunity to provide this report is appreciated. Additional matters which need to be addressed or questions which need to be answered can be directed to:

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Dennis Groenenboom

2-26-2004

Date